

Brands pursue the ‘Chinese Dream’, growing total brand value by a record 23% to \$683.9 billion in the WPP 2018 BrandZ™ Top 100 Most Valuable Chinese Brands ranking

Tencent holds firm as China’s most valuable brand, growing by 25% to \$132.2 billion

- *Market-driven brands producing most value growth with a 271% rise over the past 5 years*
- *BrandZ China Top 100 Portfolio brands nearly tripled the growth rate of the MSCI China Index since July 2010*

26 March 2018, UK, LONDON (03:00 BST / 10:00 CST) – Technology giant Tencent has retained the coveted title of China’s most valuable brand for a fourth consecutive year, achieving a brand value of \$132.2 billion, a 25% year-on-year increase, according to [WPP](#) and [Kantar Millward Brown’s](#) 2018 BrandZ™ Top 100 Most Valuable Chinese Brands rankings.

Other noteworthy sectors include education, logistics and technology, all of which continue to perform strongly, based on demand from areas such as the Chinese’s pursuit of higher qualifications, e-commerce and urbanisation of inland regions.

China’s largest e-commerce company Alibaba continues to grow at an exceptional rate, growing 53% year-on-year to achieve a brand value of \$88.6 billion.

Logistics brands have entered the BrandZ China rankings for the first time as a category, reflecting the rise of e-commerce and the increase in package delivery volumes. Five logistics brands entered the BrandZ ranking this year with the largest, SF Express, coming in at no. 11.

As the most definitive and robust ranking of Chinese brands, the BrandZ report combines financial data with consumer opinions gathered from interviews with over 400,000 Chinese consumers to give a dollar value to how brand powers business.

The brands in this year’s report achieved record growth with a 23% rise in brand value, from \$557.1 billion a year ago to \$683.9 billion in 2018. This represents the greatest one-year growth since the BrandZ China Top 100 ranking was first published in 2014.

The BrandZ China Top 100 Share Portfolio (all the brands in the China Top 100 ranking) increased 179.1% since July 2010; almost tripling the growth of the MSCI China Index, which increased by only 61.6% over the same period, demonstrating further evidence of the value of a strong brand.

With the Chinese Dream firmly on the agenda of many companies, along with consumers who

aspire to invest in their future, new business opportunities have presented themselves.

David Roth, WPP commented: “The game is changing for brands that want to compete successfully in China. The country’s leadership expects brands to pursue a higher purpose; one that improves the lives of Chinese people, helps drive greater economic equality and strengthens the nation.

“Chinese consumers appear more willing to pay a premium for innovative products and services. More sophisticated in their purchasing decisions, consumers are responding to brands that grab their attention and meet their needs in relevant ways with products and services that are both innovative and different.”

The BrandZ Top 10 Most Valuable Chinese Brands 2018

Rank 2018	Brand	Category	2018 China Top 100 Brand Value (Millions \$)	YoY Brand Value change
1	Tencent	Technology	132,213	25%
2	Alibaba	Retail	88,623	53%
3	China Mobile	Telecom Providers	49,231	-15%
4	ICBC	Banks	37,213	18%
5	Baidu	Technology	24,990	5%
6	Huawei	Technology	24,115	18%
7	Moutai	Alcohol	23,175	43%
8	Ping An	Insurance	22,363	36%
9	China Construction Bank	Banks	20,120	9%
10	Agricultural Bank of China	Banks	16,158	9%

China is one of the most competitive markets in the world. Market-driven brands have seen a phenomenal increase of 271% in value over the past five years. Overall, the BrandZ China Top 100 has grown by 80% over the past five years, outpacing even the BrandZ Global Top 100’s 27% growth.

China brands have since made their presence felt within the global business landscape, with international brands closely observing their development; whilst in China, local brands are keeping a close watch on their peers. The competitive landscape in China meant some brands were unable to maintain their rankings within the Top 100. In China, 28 brands had exited the BrandZ China Top 100 rankings over the past five years, versus 17 from the Global Top 100.

Doreen Wang, Global Head of BrandZ, Kantar Millward Brown said: “Chinese brands are quickly learning how to raise their profile through impactful and memorable advertising. A combination of having the right media mix, message and memorable communication is a sure bet towards accelerating brand value growth. The importance of ‘brand’ to Chinese consumers is proven by our Brand Power index, with only those brands with a high Brand Power score, a measurement of consumer predisposition to buy a brand, managing to stay in this competitive ranking, indicating the importance of brand to sustain success in China’s rapidly changing

market.”

Patrick Xu, China CEO, WPP said: “It’s a really exciting time in China right now with many ambitious businesses recognising the opportunities abroad and the importance of investing in building their brand outside of the region. Many enterprises are responding to China’s Belt and Road initiative and strengthening their overseas expansion momentum. Combined with market dynamics and millions of consumers embracing the China Dream, we believe the overall perception of Brand China is evolving, with Chinese enterprises enjoying a growing reputation within the global competitive landscape.”

“Tencent is proud to be part of the BrandZ Top 100 Most Valuable Chinese Brands. As an Internet-based technology and cultural company, Tencent has benefitted greatly from the rapid development and massive opportunities of China’s digitalization. Nowadays, digital connectivity and new technological innovations are intertwined with all forms of economic, cultural and social activities. Technology has become an integral part of our everyday lives, now the final piece of the jigsaw is ready to be put into place, and a completely Digital China will emerge,” said **Seng Yee Lau, Senior Executive Vice President, Chairman of Tencent Advertising and Chairman of Group Marketing and Global Branding**.

He continued, “In the future, Tencent will continue to hold fast to its 'connecting everything' strategy. This means that we will fully leverage the Internet and new technological connectivity and innovation to empower every connected individual and organisation, enabling more Chinese brands to be known and embraced by consumers locally and internationally, and become the new torchbearers of global innovation.”

Other key trends highlighted in this year’s report include:

- This year’s report sees several newcomers move into the BrandZ China Top 100 2018 including; Logistics brands SF Express (11), YTO (36), Yunda Express (37), ZTO Express (38) and STO (55), Health Care brand By-Health (86), Travel Agency brand Qunar (63), Alcohol brand National Cellar 1573 (66), Real Estate brand the Greenland Group (73) and Home Appliance brand Flyco (88).
- Innovation, Technology and Retail leaders, Baidu, Alibaba, Tencent and JD.com (BATJ) continue to enable consumers to do more and to manage their daily lives via a single integrated mobile platform. These internet giants are disrupting categories and crossing into others such as Investment Funds, Insurance, Travel and Logistics.
- In pursuit of greater opportunities, Chinese producers are moving inland to lower-cost regions which are home to over one billion people living outside of ‘megacities’ such as Shanghai, Beijing and Guangzhou. Brand is becoming increasingly important outside of major cities with 94% of people in tier 3 cities now regarding brand as important compared to 88% in 2014.
- Chinese brands are still lagging in search indexes in overseas markets compared with more entrenched global brands. However, that gap is closing. Google Search Index Data reveals the search volume has narrowed by 29% and we’re now seeing more Chinese brands, generating increased awareness among a wider audience of consumers outside the region.

The BrandZ™ Top 100 Most Valuable Chinese Brands 2018 report, charts and video are available [here](#). The mobile app can be downloaded via www.brandz.com/mobile or search for BrandZ in the iTunes or Google Play app stores.

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NOTES TO EDITORS:

The brand valuation behind the Top 100 was conducted by Kantar Millward Brown. The methodology mirrors that used to calculate the annual BrandZ Top 100 Most Valuable Global Brands ranking, which reaches its thirteenth year of publication in 2018.

The ranking combines financial data from Bloomberg and Kantar Worldpanel with consumer opinions gathered from interviews with over 400,000 Chinese consumers since the ranking first launched in 2011. The BrandZ™ Top 100 Most Valuable Chinese Brands is the most definitive and robust ranking of Chinese brands available.

The brands ranked in the BrandZ™ Top 100 Most Valuable Chinese Brands 2018 report meet these three eligibility criteria:

- The brand was originally created by a mainland Chinese enterprise.
- The brand is owned by a publicly traded enterprise, or whose financials are audited by major global accounting practice and published in the public domain.
- Banks derived at least 20% of their earnings from retail banking.

The BrandZ rankings are the only valuations in the world that take into account what people think about the brands they buy, alongside rigorous analysis of financial data, market valuations, analyst reports and risk profiles. Consumer perception of a brand is a key input in determining brand value, because brands are a combination of business performance, product delivery, clarity of positioning and leadership.

About WPP

WPP is the world leader in communications services with global billings of US\$72 billion and revenues of almost US\$20 billion. The group provides a comprehensive range of services including advertising & media investment management; data investment management; public relations & public affairs; branding & identity; healthcare communications; digital, eCommerce and shopper marketing; and specialist communications. WPP employs over 200,000 people (including associates and investments) across 112 countries. For more information, visit www.wpp.com.

WPP was named Holding Company of the Year at the 2017 Cannes Lions International Festival of Creativity for the seventh year running. It was also named, for the sixth consecutive year, the World's Most Effective Holding Company in the 2017 Effie Index, which recognizes the effectiveness of marketing communications.

About Kantar Millward Brown

Kantar Millward Brown is a leading global research agency specialising in advertising effectiveness, strategic communication, media and digital, and brand equity research. The company helps clients grow great brands through comprehensive research-based qualitative and quantitative solutions. Kantar Millward Brown operates in more than 55 countries and is

part of WPP's Kantar group, one of the world's leading data, insight and consultancy companies. Learn more at www.millwardbrown.com.

China media contact:

Jessica Chen

Email: Jessica.chen@Kantarmillwardbrown.com

Tel: 021-2287 0971

Global media contacts:

Lucy Edgar

Tel: +44 (0)207 450 2614

Email: lucy.edgar@kantarmillwardbrown.com